

Bridge

The Idea Exchange of the credit union movement



June
1946.

See page 5

official publication

Credit Union National Association

Membership Drive

September 1-December 1, 1946

THE FOURTH ANNUAL International Credit Union Membership Drive has been set for the period from September 1 to December 1, 1946, and plans are being made to encourage credit unions and credit union organizations to make this year's drive the start of a strong, continuing peacetime credit union promotional program which will expand the credit union movement far beyond its prewar strength.

In regard to the importance of this drive the Cuna Executive Committee had this to say, in a resolution on the 1945 drive:

"Resolved, That this committee urge upon all credit unions the importance of beginning now to plan for their participation in the Fourth Annual International Credit Union Membership Drive, which will no doubt be an important part of the credit union movement's 1946-47 program."

Cuna Bill Signed

MUNICIPALITIES and towns in Massachusetts may now grant credit union payroll deductions to their employees, as a result of a bill recently signed by the Governor of the state. The bill was sponsored by the Massachusetts Cuna Association.

Badly Crippled

PANHANDLER: (to kind old lady): "Madam, could you give a cripple four bits for bus fare?"

Kind Old Lady: "You poor chap, How are you crippled?"

Panhandler: "Financially."—Los ANGELES COUNTY EMPLOY.

Face Economic Bomb

"WE FACE A DOMESTIC ECONOMIC BOMB, as well as an international atomic bomb. Both must be controlled now, and eventually must be sterilized, or they will destroy us," E. R. Bowen, general secretary of the Cooperative League of the USA said in a broadcast over the Columbia Broadcasting System April 18. Here is the gist of his message:

The threat of inflation is "the most vital to us of all the domestic problems which we must solve. The interrelationship between the two, as cause and effect, is close. If we let a domestic economic bomb explode, it may set off an international atomic bomb.

"When we produce money faster than we produce goods we inflate our supply of money. This is exactly what

we did during the war. We produced more goods. We also produced more money. But we destroyed the goods and we kept the money. We tried to have our cake and eat it too. We were forced to pay-as-we-fought with goods. But we refused to pay-as-we-fought with money. We are now paying for our failure to tax ourselves enough during the war."

Four-Point Program

To correct the economic unbalance and to cope with inflation, we should insist upon a four point program calling for:

1. A tax bill high enough to balance the budget each year. This should include graduated personal income tax, continuance of corporation, excise and inheritance taxes, but no sales tax or payroll tax.

2. Voluntary withholding of unnecessary spending of surplus savings. Consumers should refuse to buy goods and service for an excessive price.

3. Congressional legislation designed to retain surplus savings by freezing certain types of savings.

4. Adopt a national legislative policy which would include three things:

A. Reduce our excessive supply of money. "New production will produce its own purchasing power and will not reduce our previously inflated supply of money."

B. Facilitate a rapid increase of production of goods by providing mediation and arbitration machinery, minimum wage laws and other methods of eliminating the need for periodic strikes. "We should provide full consumption by continuous full employment and full production."

C. Retain selective controls over prices so that a minority of greedy owners of greedy buyers will not be able to wreck our economy by starting a spiral of inflated prices.

"Beyond all this, is the long range job we have of building a self-controlling economy of individual, cooperative and public ownership of finance and industry which will prevent our having to go through the wringer of inflation and deflation over and over again in the future as in the past."

Albert Belanger Dies

ALBERT BELANGER, employed in the office of the Illinois Credit Union League since 1933, and former treasurer of ICUL Credit Union, died on April 18, after being ill several months. His life exemplified friendly credit union service.

Bridge

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HOWARD C. CUSTER, Editor

RICHARD GILES, Asso. Ed. on Military Leave

CHAS. G. HYLAND, Business Manager

SUBSCRIPTIONS—\$1 A YEAR

THIS Month:



Cuna Meetings.....	4
What About It?.....	8
Idea Exchange.....	10
Suggested Reading.....	18
Our Readers Write.....	20

CUNA

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BRIDGE

The Church and Credit Unions

"Given a credit union, the Pastor is able to give expression to his people of the interest he has in their temporal welfare."

by Hubert Lerschen

FROM the early days of the Church to this the Solidarity professed by Christians has proved itself a strong incentive to an indispensable support of cooperative efforts. Pope Leo XIII, the champion for social reform in the XIX Century, in praise of cooperatives stated in 1901:

"Practically, in places where poverty was most severely felt many ameliorations have with a steady purpose been introduced or extended, e.g., popular secretariats, land banks, societies for mutual help and relief."

From the Very Beginning

It is a sound philosophical truth to define man as a social being. From the very beginning men depended on each other. Men live together in society. The individual family, socially secure and economically independent, form the foundation of a well-organized community and state. Throughout the history of the world nations have found it their duty to regulate and improve the social intercourse of the individuals of which they are composed. For 2,000 years the Church has been the Champion for the safeguarding of the rights of men. The greatest conflict mankind has ever witnessed was the fruit of the clash of the new order and Christian democracy. Social charity and social justice, as preached by the Church must be the foundation pillars upon which a sound social order is built and reformed.

Two Important Virtues

Credit unions are societies for mutual help. They afford special opportunities to all members for the exercise of these two important virtues of social justice and social charity, especially the latter.

If credit unions have attained such great success, this must be attributed largely to the spirit of social charity, that has actuated them. If the members of credit unions allow themselves



to be lured away by the siren calls of a secularistic and naturalistic materialism, credit unions will go the way of all human undertakings that forsake fundamental principles of morality and religion. One cannot take the soul out of social institutions and have them live. They must die and decay. Such is the law of all social life.

Credit unions represent the type of strong resolute cooperation needed to preserve economic and social independence of the individual.

The philosophy of the credit union is based on and finds its strength in the principles of Christianity. No wonder then that Hitler in his national and world program of educating his people and those of conquered nations to his new order classified credit unions "Raffeißen Kassen," as enemy No. 2, the Church being enemy No. 1. Soon he confiscated the accumulated wealth of the individual savers and suppressed the organizations.

On Recent Visit to Europe

On my recent visit to Europe I observed that Nazi propaganda and forced Nazi education have not shaken the faith of the people of the conquered nations and that the credit unions are operating again, especially in Holland and Belgium "Boerenleen Bank" or "Caisses Populaires" as they are called.

I met priests who are taking an active leadership in the credit union movement as a means in rebuilding the economic independence of the hard-trying people.

The credit union movement in our own country had its beginning in the Catholic parish of St. Mary's, Manchester, New Hampshire.

The National Catholic Rural Life Conference has adopted the credit union movement as one of the major objectives in its propaganda towards family economic independence.

The Church sees not only the economical advantages but also the spiritual gains for the members of a credit union. A larger interest in each other's welfare is developed among the members. A neighborly feeling dominates their relations and makes the group more a unit. Sacrifices are made by some of our members in behalf of their fellow associates for service. It does not require a vivid imagination on the part of the Pastor to see the value of all this in his parish. His work in claiming souls for the grace of Divine Charity is made much easier.

Helps Pastor Serve People

Again the influence of the parish is greatly increased. Too often the laity have the impression that the priest is more interested in the material needs of the Church, than he is in the material needs of the people. This is not the fault of the Pastor, who, as a rule, has not the means to relieve distress. But given a credit union, the pastor is able to give expression to his people of the interest that he has in their temporal welfare. His sympathy and direction will serve to inspire with new hopes the right and honorable minded among the less fortunate of his parish. When parishioners observe the Pastor thus interested in them, their response in things spiritual is more readily obtained.

The credit union gives the Pastor an opportunity to serve as he is really fitted to serve, and so much more effectively to bring his people closer to God and to their fellowmen.

Knowing the attitude of our Church to the credit unions, in my humble way I have propagandized the credit union movement among the Clergy of my Church. At the Rural Life Schools and Institutes, which I have conducted for the past five years in the Southern States under the auspices of the National Catholic Rural Life Conference, a number of credit unions have been established as a result of this. I am proud of the credit union in my own parish. It has brought some 300 members closer together and closer to their Pastor.

The credit union preaches for me the principle of Social Justice and Social Charity. Social Justice cannot bear fruit without love of neighbor.

The Very Reverend Monsigneur Hubert Lerschen is vice president of the National Catholic Rural Life Conference. This article is taken from the address he gave at the 1946 convention of the Louisiana Credit Union League.



1946 Cuna National Board Meeting

Elects R. A. West for fourth year and passes enabling legislation for aggressive credit union expansion program

PROVISION for the opening of branch offices in Washington, D. C., and Canada was made in the budget adopted unanimously by the National Directors of the Credit Union National Association at their annual meeting in Madison, May 11-12.

\$99,900 Budget

The budget adopted by the meeting, which totalled \$99,900, is shown on page 5. President R. A. West in his report declared it "inadequate" for the work the national association should do and challenged the group to begin

at once to plan for a much expanded long-range program.

Actions toward that end were taken by the meeting, one of the best spirited and forward-looking in Cuna history.

Organization Program

Resolutions were passed which

The pictures on opposite page show the 1946 meeting of the Cuna National Board of Directors from three angles. These and other pictures of the meeting, including that on the front cover, were taken by Photo Copy Service, Madison, Wisconsin. The cover picture shows President R. A. West signing in. Welcoming him are members of the Registration Committee; Velda Trumble, Kathryn Long, and Mavis Huson—Cuna employees all.

called for a program which would obtain 1,000 new credit unions and 500 new league members in the period between June 1, 1946, and February 28, 1947.

Canadian District

A separate vice presidential district was created for the provinces of Canada.

Dues Changes

The maximum dues to be paid by any league was raised from \$6,000 to \$7,000 and the provision that dues need not be paid for any credit union—which paid a dividend less than two per cent was eliminated. These changes go into effect in 1947.

Associate Members

The by-laws were amended to provide for the admission of associate members, who will have all the privileges of regular members except that the amount Cuna will contribute toward directors' travel expenses to and from board meetings will be limited to the average amount paid regular members for such expenses. This was to permit the admission of members from distant countries without taxing the funds of the association too greatly. Otherwise the dues likely to be paid by the distant league might be only a small part of the expenses incurred by the association.

Jamaica League Admitted

Following this action the Jamaica Credit Union League was admitted as an associate member.

Retirement Plan Approved

The directors, along with the directors of Cuna Mutual Insurance Society and Cuna Supply Cooperative, voted to establish a Retirement Plan for employees. Under the plan the employer contributes five per cent of the employee's salary and guarantees that the fund set up earns at least two per cent. The employee contributes a like amount. Whenever the employee leaves the organization he may take the entire amount of his own contribution plus interest. If he leaves after ten years of service he obtains ten percent of the employer's contribution plus interest, and his share of the employer's contribution increases gradually until after 25 years

CUNA 1946 Budget

Compared with 1945 figures

FOLLOWING is the budget adopted by National Directors of the Credit Union National Association for the year ending February, 1947—compared with budget and actual expenses for previous year.

	Budget 1945	Actual 1945	Budget 1946
INCOME:			
Dues—Current Year	\$ 69,100.00	\$ 70,313.66	\$ 76,000
Dues—Previous Year	2,300.00	2,958.70	1,500
Miscellaneous Income	6,000.00	6,033.22	1,500
Services—CUNA Supply	3,200.00	3,500.00	3,800
Services—CUNA Mutual	10,000.00	10,133.34	12,100
Services—Bonding	15,000.00	8,750.00	2,500
Services—BRIDGE	2,500.00	2,500.00	2,500
TOTAL INCOME.....	\$108,100.00	\$104,188.92	\$ 99,900
EXPENSES:			
Executive—			
National Bd. Meetings.....			\$ 12,000
Exec. Com. Meetings.....	\$ 6,400.00	\$ 6,751.48	4,800
Sub-Committee Meetings	500.00	56.60	200
Salary—R. F. Bergengren.....	1,500.00	1,333.34	
Executive Salaries	7,500.00	7,500.00	12,500*
Travel Other	1,500.00	1,456.95	2,250
Travel—R. F. Bergengren.....	319.25	319.25	
Org. & Ed. Department—			
Canadian Office Salary.....			1,650
Canadian Office Expense.....			500
D. of C. Office Salary.....			4,900*
D. of C. Office Expense.....			600
Field Force Salaries.....	24,500.00	23,402.18	15,400*
Field Force Travel.....	16,000.00	16,067.72	11,100
Office—			
Auditing	250.00	205.45	250
Excess Coverage	15,000.00	8,079.50	
Furniture & Fixtures.....	100.00	139.14	100
Insurance	500.00	446.32	500
Legal & Legislative.....	1,150.00	785.85	800
Maintenance	500.00	460.43	500
Material, Ed. & Info.....	400.00	738.95	900
Miscellaneous	877.00	1,304.59	910
Office Supplies	1,000.00	1,987.67	1,000
Postage	2,000.00	2,173.69	900
Rent, Light and Heat.....	4,800.00	5,691.79	6,500
Salaries—Office	15,200.00	16,225.78	17,100
Telephone & Telegraph.....	700.00	943.23	600
R. F. Bergengren—Land.....	3,605.00	3,605.00	
Taxes—			
Social Security	400.00	372.84	400
Unemployment Insurance	600.00	371.56	500
Reserve Fund	2,798.75	3,769.61	3,040
TOTAL EXPENSES.....	\$108,100.00	\$104,188.92	\$ 99,900

*Director of Organization and Education salary formerly included in Field Force Salaries, now in Executive Salaries, and salary of one Field Secretary now in D. of C. Office Salary.

it amounts to 100 per cent. Certain exceptions and provisions are included to protect the interests of both the employer and the employee.

Discount Service for Credit Unions

Upon its own recommendation the National Bank Committee was dis-

charged without a final report, but the Executive Committee was instructed to bring in a report in regard to the establishment of a credit union discount organization, through which credit unions with idle funds could make them readily available to credit unions needing funds.

Policies

Cuna policies were revised extensively to bring them in line with current credit union thought and experience. It was also voted to have them printed in *BRIDGE*. (This will be done as soon as official record of the action taken in regard to the recommendations of the Policies Committee is available.)

Headquarters Site

A resolution which would ultimately move Cuna headquarters from Madison was decisively defeated.

Annual Meeting Date

A resolution calling for an amendment to the Federal Credit Union Act which would permit federal credit unions to hold their annual meetings during the first three months of the year was passed after extended discussion. A roll call vote was required. The vote was 55 for; 39 against.

Reserve for Bad Loans

The meeting also favored an amendment to the FCU Act which would permit federal credit unions to limit their Reserves for Bad Loans to amounts equal to 10 per cent of their assets.

Other FCU Amendments

Other amendments to the Federal Credit Union Act asked for by resolutions which were adopted would (1) permit federal credit unions to make loans in excess of shareholdings to members who have left the field of membership, (2) permit federal credit unions to carry Life Savings Insurance, (3) permit federal credit unions to invest surplus capital in central credit unions, (4) permit credit unions to make unsecured loans up to \$300, (5) remove the present two-year limit on federal credit union loans.

Bridge

Other resolutions commended *BRIDGE* for the service it is rendering, and recommended that its name be changed to indicate its connection with

the credit union movement. A contest to obtain a most suitable name was suggested.

Casualty Insurance Program

A resolution which would have Cuna adopt its own casualty insurance program was referred to the Insurance Fact Finding Committee of the Executive Committee.

West Re-elected

R. A. West, Decatur, Illinois, was re-elected Cuna president for the fourth year. Other officers elected at large were Secretary W. A. Dunkin, St. Louis, Missouri, replacing Karl S. Little, Salt Lake City, Utah; and Treasurer W. P. Mallard, Washington, D. C., replacing Thos. M. Molloy, Regina, Saskatchewan.

Vice Presidents

New vice presidents serving on the Executive Committee are Leonard R. Nixon, New Britain, Connecticut, replacing William Goldfine, Mt. Vernon, New York; Arbie M. Dale, Fort Harrison, Montana, replacing George Keller, Idaho Falls, Idaho; and A. C. Savage, Toronto, Ontario, who is the first person to represent the newly created Canadian vice-presidential district.

Other Officers

C. G. Hyland, Madison, Wisconsin, was re-elected comptroller. Roy F. Bergengren, who resigned as managing director since the last meeting of the board, was made managing director emeritus.

Following the board meeting the Executive Committee reelected Thos. W. Doig, Madison, Wisconsin, managing director, and Mr. Farr, first vice president.

A resolution of thanks for services rendered by those who had resigned from the Executive Committee since the last meeting of the directors or who were retiring from the committee was passed. Those thanked were A. B. MacDonald, Nova Scotia; John Ammering, Rochester, New York; H. E. Latham, Spray, North Carolina; Mr. Little, Mr. Molloy, Mr. Goldfine, and Mr. Keller.

Approve Executive Committee

Actions of the Executive Committee

since the last meeting of the directors two years ago were approved without dissenting vote.

Cuna Mutual Meetings

Cuna Mutual Insurance Society policyholders approved an amendment to their by-laws and articles of incorporation which provide for biennial meetings of the society (this amendment was made to permit Cuna national directors to hold their meetings outside of Wisconsin every other year; Cuna Mutual policyholders must hold their meetings in Wisconsin). Other proposed amendments were defeated. The directors were instructed to bring to the next meeting proposals for amendments which would set directors' terms at four years, with the terms of half of the directors expiring each two years.

Directors elected at the meeting were Joseph S. DeRamus, Chicago, Illinois; William W. Pratt, Philadelphia, Pennsylvania; Gurden P. Farr, Detroit, Michigan; George F. Feller, St. Paul, Minnesota; Edward L. Shanney, Boston, Massachusetts; John L. Moore, Oakland, California; Moses C. Davis, Atlanta, Georgia; William Reid, Brooklyn, New York; Harry C. Lash, Council Bluffs, Iowa; and Harold Moses, New Orleans, Louisiana.

The directors later elected Mr. DeRamus, president; Mr. Pratt, vice president; Mr. Farr, secretary; Mr. Feller, treasurer, and Thos. W. Doig, managing director.

Jack Fortnum Resigns

Jack Fortnum, one of Cuna Mutual's pioneer employees resigned as comptroller, effective August 1 of this year, because of ill health. C. G. Hyland, Cuna comptroller, was chosen to fill the vacancy then created.

Cuna Supply Meetings

The membership of Cuna Supply Cooperative voted down a proposal to dissolve the cooperative and make it a department of Cuna, declared a four per cent patronage dividend, and elected the following directors: Karl S. Little, Salt Lake City, Utah; Marion Gregory, Belleville, Illinois; M. A. Pottiger, Harrisburg, Pennsylvania;

Canadian Delegation to Cuna National Board Meeting. Seated are J. F. Burns and F. G. Lucas, British Columbia; A. C. Savage, Ontario; J. D. N. McDonald, Nova Scotia; Thos. Molloy, Saskatchewan; A. B. MacDonald, Ontario (former Cuna treasurer, guest of board); J. T. Croteau, Prince Edward Island; M. Larsen, Quebec; A. M. Munro, Alberta; W. C. Leitch, Manitoba; J. C. Hill, Nova Scotia; C. G. Smith, Ontario (Cuna Mutual Canadian manager).





On this page are shown executive groups of the Credit Union National Associates and its affiliates (full names are given in text).

Top: Cuna Executive Committee, Moses, Doig, West, Dunkin and Eldam are seated; McKeever, Savage, Farr, Mallard, Nixon and Dale are standing.

Immediately above: Cuna Mutual Board of Directors, Pratt, Fortnum, Doig, Lash, Shanney, DeRamus, Reid, Davis, Moore, Feller, Farr and Moses.

To left: Cuna Supply Board of Directors, McDonald, Little, Gregory, Suolminen are seated. Pottiger and Angove are standing. Kelleher and Graham had to catch train before picture could be taken.

A. M. Angove, Tacoma, Washington; Thomas A. Kelleher, Utica, New York; W. L. Vandenburg, Louisville, Kentucky; W. G. Graham, Kansas City, Kansas; J. D. N. McDonald, Dartmouth, Nova Scotia; and John Suominen, Fitchburg, Massachusetts.

The directors later elected Mr. Little president, Mr. Gregory vice president, Mr. Angove treasurer, and Mr. Pottiger secretary. Mr. Little, Mr. Gregory, and Mr. Suominen were made members of the Administrative Committee. Mr. Doig was re-elected managing director.

waiting for Senate action. This bill would amend the Federal Credit Union Act in several particulars, but notably to raise the unsecured loan limit from \$100 to \$300.

The bill was passed on a "unanimous consent" motion, after being reported favorably by the Committee on Banking and Currency. It had been requested by the Cuna executive committee. Cuna was represented at the committee hearing by Field Secretary Hubert Rhodes.

Youth

YOUTH is not a time of life; it is a state of mind. It is not a matter of ripe cheeks, red lips and supple knees; it is a temper of the will . . . a quality of the imagination . . . a vigor of the emotions.

Nobody grows old by merely living a number of years—people grow old only by deserting their ideals.

Years wrinkle the skin, but to give up enthusiasm wrinkles the soul.

Worry, doubt, self-distrust, fear and despair—these are the long, long years that bow the heart and turn the greening spirit back to dust.

Whether sixty or sixteen, there is in every human being's heart the lure of wonder, the undaunted challenge of events, the unfailing childlike appetite for what next, and the joy of the game of living.

We are as young as our faith, as old as our hope; as young as our self-confidence; as old as our fear; as young as our hope, as old as our despair.—*Author Unknown.*

H. R. 3327

Gets House Approval

H. R. 3327 has been approved by the House of Representatives and is now

What About It?

by Dora Maxwell

Answers to your credit union questions
by Cuna organization and education director

Directors' Borrowing

QUESTION (FROM OHIO):

If a member is a borrower and is elected to the board of directors after he has made his loan, is it necessary to have this loan signed by all directors and committeemen? Also, what procedure should be followed, so far as the loan is concerned; that is, would the amount of this loan be applied against the amount of combined equity for directors and committeemen appropriated for that year?

ANSWER:

The fact of election to the board of directors does not alter the circumstances regarding an existing loan. Therefore, if the new director had a loan before he was elected to this office, it is not necessary to go back and revise the loan in any way. Future loans made to the director while he is in office must meet the requirements of the Ohio code with regard to the combined equity for directors and committeemen and all other matters.

Real Estate Loans

QUESTION (FROM OHIO):

Regarding real estate: Do real estate loans differ from other loans? What terms are usually considered for real estate loans? What time limit applies to a real estate loan?

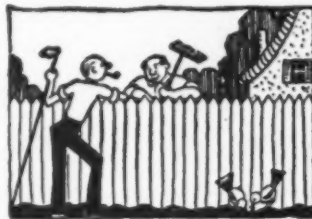
ANSWER:

The subject of real estate loans is a vast one and a complete discussion is not possible here. The matter of time limit and rate of interest varies in each locality. Interest rates are usually from 4 percent to 6 percent per annum and the time might run as high as fifteen or twenty years if your law permits this. Credit unions are more and more getting into this field. However, we must remember that our primary business is in the field of small loans. It would be unwise to tie up more than 25 percent of credit union assets in these long-term loans.

National Dues

QUESTION:

The question has arisen in our board meeting as to whether on joint accounts we should pay for one membership or for the number of members in the joint account. Also, the question has arisen involving those accounts that have less than one share and which have been inactive for a period of two or three years. The board felt that you, no doubt, had some definition whereby these unusual cases could be



You are invited to submit your questions on any credit union problems to this department. You are also welcome to contribute your own ideas on the answers printed here. What's on your mind?

determined and requested that in the event you have a definition of this sort, that you forward it to this office.

ANSWER:

This matter was discussed by the National Board in 1941 and it was decided that any person who has paid the entrance fee in a credit union and at least 25 cents in the share account is a member, and, therefore, dues should be paid for that member.

In federal credit unions, a joint account may be held only between members, and, therefore, each party to the joint account pays an entrance fee and is officially a member of the credit union; and under our National dues schedule, the league should pay dues on each of these members.

"G" Bonds

QUESTION (FROM RHODE ISLAND):

In 1942 and 1943 our credit union purchased a large number of Series G Government Bonds which represent 75 percent of our total assets. The present board of directors of our credit union examined these bonds and find their cost when purchased is the same as their maturity value in 12 years. However, if you sell this bond before maturity it has a cash value much less than purchase price. It pays dividends of 2½ percent semi-annually.

The former directors of our credit union claim that in 1942 and 1943 the Series G Bonds were the only type they could purchase.

In view of our small cash balance and large investment in Series G Bonds which cannot be used as collateral, we might have to sell some of our bonds to meet demands of members for loans or share withdrawals, which would result in a loss of from \$25 to \$27 on each of the \$500 denomination bonds we hold.

It doesn't seem possible that the

government intended that purchasers of Government Series G Bonds should take a loss, if it became necessary to sell the bond before its maturity date.

If you have any information on this subject or any suggestions as to conversion to another type to avoid a loss on the sale of Series G Bonds, we would appreciate receiving them.

ANSWER:

We hope that you will not worry about your holding of G Bonds. Just go right on holding them and eventually they will work out successfully for you.

In the meantime if you need money for loans, borrow it. You do not need to put up collateral for a loan. All you do is to present your financial statement, just as any other institution presents its financial statement, and the lending agency decides on the basis of your statement whether you are entitled to credit or not. The "G" Bonds are a valuable part of the assets of the credit union.

As a federal credit union, you may borrow from any source, including other credit unions. The Central Credit Union in Rhode Island would be glad to consider your loan application. I would suggest that you prepare a financial statement and take it with you to discuss this matter with Mr. Leopold Maynard, managing director of the Rhode Island Credit Union League, 75 Westminster Street, Providence.

If by any chance the Rhode Island Central Credit Union cannot help you, let us know. We feel certain that if your credit union is in a good financial situation that we could arrange a loan for you.

With credit unions, as with individuals, we are advising strongly "hold on to your Government Bonds and borrow if you need to."

Collection Fees

QUESTION (FROM WASHINGTON):

I obtained a loan from a credit union while working in Seattle in 1941. The loan was \$50 and \$5 of this was membership fee. When I was discharged from the company I had repaid \$20 of the loan. The remainder of the loan, \$25, was turned over to a collection agency. This collection agency insisted on my paying \$30 plus interest before they would give me a "Paid in Full" receipt. I think I am entitled to a \$5 rebate plus the interest. As I understand it, this fee is to be held by the

credit union as long as the member would have any reason to remain in the credit union. I don't, however, expect to work in this company again, so naturally I want to withdraw my \$5.

ANSWER:

If we understand your recent letter correctly you made a loan at the credit union and they deducted \$5 to place in your share account.

When they turned this loan over to the collection agency, they had to tell the agency the whole amount that is due and you will have to repay that in full. After your loan is paid, you may then get in touch with the credit union and ask them for a withdrawal of your shares. This is normal procedure.

Borrowing to Meet Loan Demand

QUESTION (FROM COLORADO):

We are getting a number of loans to buy shares in order to participate in Life Savings Insurance. We have \$40,000 in assets, our loans amount to \$36,000 and our cash at the moment is down to \$500. We must bear down on a few slow players, pep up our savings folk, increase their number and perhaps borrow from some cash-heavy Denver credit unions. Are we safe to borrow 25 per cent of our assets?

ANSWER:

Certainly, it is safe for you to borrow up to 25 per cent of your assets if you have a loan demand. You mention "slow payers" and this makes it wise to insert a proviso that it is safe if the delinquency in your credit union is not serious. Before you apply for a loan to any other credit union you should prepare a statement showing what amount of loans is in arrears, one, two, three and more months and submit this together with your last financial statement.

Extent of Co-Makers' Liability

QUESTION (FROM LOUISIANA):

We are making a loan of \$1750 to one of our members. In addition to other security, we are accepting three co-makers, each of whom has signed the note, but has written in that they accept responsibility only to the amount of \$400 each.

Is this proper?

ANSWER:

When a co-maker signs a note he accepts responsibility for the full amount on the face of the note. It wouldn't seem to be good procedure to accept a note which has handwritten additions or corrections added to it. There might be some question as to the validity of such a note. If you want to make this loan and if you want to help this member to the extent of \$1750 and have three co-makers who

are willing to accept responsibility for only \$400 each, the proper way to handle this is to have separate notes for the different amounts of liability each endorser assumes.

Payroll Deduction Plan

QUESTION (FROM WASHINGTON):

If a payroll deduction plan is started, what is the usual procedure followed in starting and keeping such a plan functioning?

ANSWER:

In answer to this question, I will try to outline a method of payroll deduction that might be used. There is no particularly standard plan of payroll deduction as the credit unions that do have payroll deductions fit this operation into the method of operation of the company.

For instance, some credit unions number their pass books to correspond with the system of employment numbers used in the industry in which their members are employed. Other operations can be adjusted to fit the methods of operation of the company.

Cuna Supply Cooperative has some forms that may be helpful. Form No. 5 is filled out by the member and presented to the credit union. The half entitled "Credit Union" is kept in the records of the credit union and the second half entitled "Paymaster" is sent to the paymaster as a notice to him to deduct the required amount from the member's pay each payroll period until further notice.

Form No. 6 is the same as Form No. 5 except that it is used only in the event of change of payroll deduction. Form 105A is the credit union's record and shows Payroll No., Passbook No., name, total deduction, and then the distribution of the total deduction.

Form 105B may be used by the management to report to the credit union the name and total deduction. It might be noted here that this form is often prepared by the credit union in advance of the payroll deduction date and presented to the management.

Some credit unions on receiving the deductions from the company put the total amount of the deduction in the member's share account and then at a later date transfer to the loan, interest, and fine accounts. This method is used usually where payroll deductions are weekly and loan payments

are on a monthly basis. Thus the credit union collects weekly and deposits in the share account but distributes the loans and interest on a monthly basis. Form 105C is used in this transaction. Further, some managements deduct weekly but only make a report to the credit union monthly. If this is done, Form 105D is used.

Samples of the forms mentioned are available from Cuna Supply Cooperative.

In setting up payroll deductions, two important features should be kept in mind. First, the member's authorization of a payroll deduction should be entirely voluntary. Second, the payroll deduction plan should be adapted to fit as closely as possible the company's payroll operation so as to cause as little trouble and expense as possible.

Interest Rates

QUESTION (FROM MISSOURI):

Suppose a credit union has decided on a policy to offer loans on automobiles, refrigerators, washing machines, and other durable goods, when there is a chattel mortgage for security, at an interest rate of 4 per cent annually discounted but continue to charge 1 per cent a month on the unpaid balance for smaller loans, usually unsecured. Is it better bookkeeping practice to have the two forms of loans separated into separate ledger accounts, or would it be satisfactory to continue to record all loans in one ledger account?

ANSWER:

The answer to your question depends entirely upon what is most convenient for your treasurer. He should separate the interest accounts into Prepaid Interest, or Interest Received in Advance on the discount loans, and Interest Received on the 1 per cent loans.

This brings up another question. Many leaders of the credit union movement feel that it is bad practice for credit unions to use different interest rates for various types of loans. The 1 per cent rate is already the least expensive rate generally available. Many of your members will tell you they can make loans at a lower cost but that is not true. This is especially not true in the purchase of the articles you mentioned. If you will determine the cost in dollars and cents and then compare that with the credit union charge you can easily decide which costs less. This is true in comparison with both banks and installment credit firms. In addition, your credit union can offer the benefits of loan protection and life savings insurance at no extra cost to the borrower.



IDEA



EXCHANGE

Here are some ideas credit unions have already used successfully plus some BRIDGE suggestions which you may want to try out as-is or adapted to meet your particular needs.

As a matter of fact, credit unions and credit union organizations affiliated with Cuna may list any BRIDGE items freely for their publications and releases. All others should observe the copyright and obtain written permission from BRIDGE before reprinting material. Suitable credit should, of course, be given in the case of signed articles and illustrations. BRIDGE need not, however, be mentioned as the source of the material, although where it seems suitable to do so, this will be appreciated.

Suggestions for Use

We hope credit union officials will find these suggestions helpful in preparing informational materials about the services their credit union offers their members. These may be used—either without change or adapted to special uses—in payroll inserts, circulars, blotters, posters, bulletins, advertisements, company house organs, or other appropriate mediums at hand.

The illustrations may be traced on mimeograph stencils, reproduced directly by a photo-offset process, or made into linecuts for the standard letterpress printing.

Each release should, of course, also contain full directions as to when and where credit union service may be obtained. The name of the credit union, its location, its business hours, and any other helpful information should be given.

Please

BRIDGE would greatly appreciate receiving copies of any and all publications credit unions issue, so that it may know what credit union people are finding most effective, and so that it may pass on to others good new ideas developed.



☛ Before the war one-third of the families in the United States had family incomes under \$1,000, according to a Twentieth Century Fund Report.



Advice to Lovelorn-

Is she lovely? Would you wed her
If you had the cash you need?

Don't forget your credit union.
It is here: your friend indeed.

Save each pay day; borrow wisely—
From your money worries you'll be freed.

Mats of above feature may be obtained for
30 cents each. Write Editor, Bridge, Madison
1, Wisconsin.

Every Little Bit

"Every little bit
Added to what you've got
Makes just a little bit more."

These lines, taken from a humorous song of some years ago, might well be a credit union slogan, since the first point of the credit union's two-point program is thrift—regular thrift. Countless credit union members have learned that something saved every pay day adds up to a mighty handy amount of ready cash.

What is the second point of the credit union's program? Convenient, confidential, economical loans. When you need extra cash for emergencies or to take advantage of cash prices when you buy things, a credit union loan is the answer.

Get the credit union habit both ways: Save the credit union way. Borrow the credit union way. It always pays.

Your credit union is here to serve you.

When You Buy Your Auto

By Tom Doig, managing director
Credit Union National Association.

When you buy your new automobile, there is one phase of the transaction which you may find most confusing. The salesman may not be at all anxious to take your cash—beyond the minimum required by government regulation. He may press upon you the convenience of using his company's finance plan. He may say that the charges for this extra service are nominal. Often he will seem to try as hard to get you to use the finance plan as he does to get you to buy the car.

It is understandable why he should do so, for great fortunes are made from car financing, and very likely the company financing the car you buy is an affiliate of the car manufacturer. Very likely the profits from financing the car are comparable to those made from the sale of the car itself.

TWO TRANSACTIONS

While this is perfectly legitimate and understandable, it is wise for you as the buyer to keep in mind that in such a situation there are really two transactions involved.

First: you are buying an automobile.

Second: you are buying credit.

The company which, from your point of view, produces the best automobile, may not, from your point of view, offer the best credit deal.

In making up your mind about both of these transactions there are several considerations it will pay you to keep in mind.

In buying the car, first of all is the fact that the new cars will very likely contain "bugs"—faults in design or construction—which only actual use will reveal. If you do not urgently need a car now it would probably be wise to wait a year or two before buying. A survey indicates that about 52 per cent of our prospective car buyers plan to do this.

Unless you are an expert mechanic yourself, it will pay you to obtain the services of such a person to look over any car you are interested in before you make your final decision. Salesmen will naturally play down their car's weak points, and up its strong points.

The gadgety "deluxe" models are

usually disproportionately priced. The standard models usually are sounder buys.

WHEN YOU BUY CREDIT

As to the second part of the transaction—the buying of credit when needed. The only way to compare costs is to find out exactly what the car will cost you if you pay cash and what it will cost you if you use the credit plan offered you.

You should ask for a copy of the credit contract you would have to sign, take it home, and check it to see just what insurance and other incidental expenses are involved, and list these expenses very carefully.

Then you should visit your credit union—find out if you can't buy your credit cheaper from your own organization, when all the costs are added up and compared. Often savings on the insurance premium alone make a substantial difference in favor of the credit union.

Not to be overlooked either is the fact that you would be dealing with your own organization, and you would be helping it operate more successfully. At the end of the year your credit union savings would very likely earn larger dividends.

As a general rule, we can say this in all sincerity: it pays to save regularly in your credit union; it pays to borrow from your credit union.

Bail Me Out, Brother!

"POLICE STATION calling! We have one of your credit union members (whatever that is) enjoying the hospitality of our hostel. He wants you to come down and bail him out."

One can well imagine the consternation of the president of one of Calgary's prominent credit unions when he received such a call. Yes, it actually happened.

Did the president quail and lose his presence of mind? No! You see he was a former member of a credit committee, and consequently nothing surprised him. Did he curse out the government and call for election and say that the president should be given protection. No! he simply climbed on his bicycle, raced madly to the station, and bailed the culprit out.

We are not condoning the actions of the guilty one; nor are we suggesting that such conduct should be encouraged. Nevertheless, the story does serve to illustrate the versatility of a credit union.

To those who may be inclined to arch the eyebrow over this member's behaviour, we merely say, "He that is without foibles, heave the first pebble," or "Don't be too critical of the other

fellow, because the chances are that he is a little better than you."—THE BUGLE, published by Credit Union League of Alberta.



Dough Gone

A Fourth of July speaker was Joe. He cried against the shortage of dough. The crowd as a man Said, "Why don't you plan To let your credit union help ease your woe."

Looking Into The Future

In order that your Board of Directors might get some idea as to the demand that will be made upon them for loans in the very near future you are requested to complete the following questionnaire.

Tear it off and place it in the receptacle which will be placed in the Swing Room for that purpose. It is NOT essential that you sign your name. Let us all work together for a greater and more helpful Credit Union. Teach your dollars to have more "cents" by adding to your share account each pay day.

Very truly yours,
Your Board of Directors.

Tear Off Here and Deposit

Please check any of the following articles that you contemplate purchasing as they become available and the amount of money that you might borrow for purchase of same.

Refrigerator \$....	Washing Machine.. \$....
Gas or Electric Range ... \$....	Electric Cleaner .. \$....
Radio..... \$....	Automobile. \$....
Others \$....	

Will you finance the purchase of these articles through your Credit Union? Yes..... No.....

—Last page of three-page mimeographed letter addressed to members and prospective members, by Lancaster Postal Employees Credit Union, Lancaster, Pennsylvania.

Doctor, Lawyer . . .

Doctor, lawyer, merchant, chief—whatever you want to be, or whatever your children want to be, takes training. And the need for training doesn't stop when the sheepskin is framed on

the wall. Periodic institutes, conferences, short-courses, tours, and the like prove invaluable nourishers of careers.

A credit union loan for educational fees is a sound investment. The cost is low. The service is prompt, confidential. Your credit union is here to serve you.

A la Slick

You probably won't meet your dream man (or woman) on the vacation financed (confidentially and economically) by your credit union.

You may not even strike up a beautiful friendship.

If you expect Rosy Romance to trip lightly up to you and gently tap you during that week or so at Blissful Lake—if you are searching for Matrimony a la Slick Magazine—we're afraid you would not get full value from a credit union loan to capitalize the venture.

But . . .

If you are willing to let Romance meet you where it may, we can think of several reasons why the money spent on a vacation trip away from your usual haunts, would be well spent. You would get the change of scene, the rest from routine duties, the contact with different people, the freedom from petty irritations of familiar associations, which most people agree are desirable. And who knows, you may be in better shape to welcome Romance and Opportunity.

And when it comes to borrowing money for vacation expenses—for any expenses—there is no questioning the fact that a credit union loan is economical, confidential, and convenient. Your credit union is here to serve you.

Unwanted Advice

We have given this advice in these pages several times in the past eight or nine years.

To the best of our knowledge, nobody has ever taken it except ourselves. But it's too good to keep, so here it is again.

Just this: *Get your insurance premiums on an annual basis, and put the due dates right after the first of the year.*

The reasons are so plain it's amazing nobody troubles to believe them:

1. Quarterly or semi-annual premiums are really loans from the insurance company, for which you pay interest—stiff interest.

2. Credit union deposits earn interest, and will earn more as time goes on.

3. The same amount of money paid in installments to the credit union and held to the end of the year will there-

you borrow in the Credit Union!

WHY BORROW?

We present a comparative chart of loans made and their purpose during the first three months of 1945 and 1946.

	1945	1946
Outside debts	\$ 905.32	\$ 522.78
Coal	151.08	129.64
Medical	777.50	672.00
Dental	80.00	
Auto Tires		50.00
Auto repairs	340.00	607.00
New automobile ...	250.00	250.00
Stoves	75.00	
Refrigerator		250.00
Wash machine		221.00
Furniture	33.00	
Insurance	135.00	163.00
Clothing	242.32	50.00
Income Tax	901.66	170.00
Live Stock	200.00	
Garden seed		100.00
New homes		2,725.00
Trailer		600.00
Home repairs	525.00	952.75
Moving	70.00	
Funeral Expense ..		140.00
Total Amount	\$4,635.88	\$7,603.07
No. of Loans Made.	42	41

DON'T BE A SUCKER!

There isn't a week passes that we don't get an invitation to borrow money some where, usually sent us in the mail, we have yet to see the cost on any of these invitations, and as a service to you, *don't let yourself get sucked in.* If you don't like the Credit Union, be sure you know what you are signing if you borrow elsewhere or better still, talk to one of the committee or the treasurer before you buy on credit or borrow.

When you join the Credit Union you are an owner, you elect owners to manage it. Assets now, \$69,748.81, surely this should be an incentive for you to join. — THE BLACK-CLAWSON NEWS, Hamilton, Ohio.

The Credit Union Answers

A business of your own ... a home of your own! What magic there is in these words. This is the story of how the credit union helped one of its members reach both of these goals.

About a year and a half ago the member in question had an opportunity to buy a store. His wife was employed in the store as a clerk and the owner had told her of his desire to sell the business and go out west.

The credit union member had com-

plete confidence in his wife's ability to operate the store. His only question: Where to get the money to buy the store? As he intended to continue with Eureka Williams and was one of the oldest employees, the credit committee saw fit to loan the money to buy the building, fixtures, and stock. The earnings from the store, in the first year, were enough to pay off the credit union loan.

When the store loan had been paid off, this member confided his wish for a small acreage to live on. The 17 acre plot he had in mind had a 4-room house on it. Again the credit committee made the loan which is now almost completely paid off. Doesn't knowledge of this credit union service make your membership mean just a bit more? — CREDITORIAL, published by Oil-O-Matic Federal Credit Union, Bloomington, Illinois.



Ever After

And they lived happily ever after. How did they do it?

Mary says, "We never lacked anything we really needed, and we learned not to want too much anything we did not have. We have saved something every pay day in our credit union for many years now, and thus we were able to satisfy many of our longings. When we needed extra cash for emer-

Educational Committee Tip

A LOAN PACKET of suggestions to help credit union educational committees plan their programs, including a generous supply of samples of materials used by other credit unions, may be borrowed 30 days without charge, from Education and Organization Department, Credit Union National Association, Madison 1, Wisconsin.

gencies or to stretch out our savings, there was our credit union to help us out. John is a good provider, and a fine husband, and I'm a very lucky woman."

John says, "We knew from the start that marriage is a business proposition, as well as a romantic one. We determined to handle our money affairs as businesslike as possible, and to cut our dreams to fit our income. We knew that romance fades, if it does not die, in the face of poverty, and that it flourishes when shined upon by health and well-being. Mary has been wonderful to make such a happy home on my earnings, and I guess we both just looked at things sensible-like and did what we could to make the best of things. Every week we tried to add something to our credit union savings and something to the comfort of our home and something in the way of beauty. Beauty? Oh, that might be a picture, or a book to read aloud, or a trip to the country. We have lived a very rich life, come grief and misfortune though they did."

Man's capacities have never been measured. Nor are we to judge of what he can do by any precedents, so little has been tried.—Henry David Thoreau.

Your Post-War Plans *flash* into Action Now!



Your FRIENDLY CREDIT UNION
(MONEY IN HAND)

eagerly waits to supply your needs.

CONSULT US! It's Nobodys Business But Yours!

Your Problem ...

"Saving or Borrowing"

is different from all others.

cleveland telephone employees credit union, inc.

Penny postcard publicity by Cleveland, Ohio, credit union

Outstanding Educators

TWENTY-NINE CREDIT UNIONS received awards for entries in the educational exhibit of the 1946 Illinois Credit Union League Annual Meeting. They are:

Superior

Chicago Public Library Employee's Credit Union.

North Shore Cooperative Federal Credit Union, Evanston.

Oil-O-Matic Federal Credit Union, Bloomington.

Park Employee's Credit Union, Chicago.

Union Teacher's Credit Union, Chicago.

White Cap Employee's Credit Union, Chicago.

Excellent

Arrow S Credit Union, National Stockyards, Ill.

Bauer & Black Employee's Credit Union, Chicago.

Brethren Parish Credit Union, Elgin.

Chicago Central Office Credit Union, Chicago.

Decatur Wabash Credit Union.

Employee's Credit Union of G. H. Hammond Plant, Chicago.

Kraft Employee's Credit Union, Chicago.

The Meyercord Employee's Credit Union.

Northern Kane County Teacher's Credit Union, Elgin.

Northwestern University Employee's Credit Union.

Shell-Wood River Federal Credit Union, Wood River.

University of Illinois Employee's Credit Union.

Wrisley Employee's Federal Credit Union, Chicago.

Good

Burlington, Chicago Terminal Credit Union.

Chicago Patrolman's Federal Credit Union.

Corpus Christi Federal Credit Union, Chicago.

Illinois Central Springfield Division Credit Union.

Kraft Employee's Credit Union, Freeport.

News Gazette Credit Union, Campaign.

Shell School Credit Union, Chicago.

Sherwin-Williams Employee's Credit Union, Chicago.

Southwest Chicago Chapter.

Tri-Cities (RIL) Credit Union, Silvis.

Keep On Canning

HOME CANNERS are being urged by the Government to keep on canning. The loss of tin plate due to the recent strike in the steel mills, and the need



Founders Club

New Members

SINCE OUR LAST REPORT the following members have been admitted to the Founders Club:

Ralph A. Parkison, First Iowa Credit Union, Des Moines, Iowa.

J. J. Duling, Swift Sioux City Employees Credit Union, Sioux City, Iowa.

Roger E. Brumble, Wood Brothers Employees Credit Union, Iowa.

What and How

THE FOUNDERS CLUB is a Cuna honorary society of credit unionists who have organized credit unions other than their own.

To become a member under present rules one must:

1. Find a group that does not yet have a credit union.

2. Get it to organize a credit union. (Write to your league or to Cuna for instructions and helpful material.)

3. Apply to Cuna in writing for membership in Founders Club, giving your full name, the name of your credit union, and the name of the credit union you organized.

A special Volunteer Organizers Kit may be obtained free of charge by writing Credit Union National Association, Madison 1, Wisconsin.

for shipping canned foods abroad to alleviate the critical food shortages in Europe and Asia, will lower considerably the supply of commercially-canned food for domestic use this coming winter.

Fortunately, the supply of glass containers, rubber or rubber-composition rings and closures needed for home canning of food will be adequate. In addition, OPA is planning to allocate about ten pounds of sugar per person for home canning.—BREAD AND BUTTER, published by Consumers Union.

Disproportionate

CREDIT UNIONS had 8.3 per cent of the installment loans outstanding in the United States at the end of February 1946, according to estimates of the Federal Reserve Board. But the year before it had 9.9 per cent. Here are the figures (in millions of dollars):

	1945	1946
Commercial banks	357	521
Small loan companies	372	452
Industrial banks	66	78
Industrial loan companies	60	72
Credit unions	118	128
Miscellaneous lenders	86	94
Insured repair and modernization loans	128	194

Totals 1,187 1,539

In other words, while credit unions have gained some of the additional loans being made, a disproportionate share are going to other agencies.

Inflated Appraisals

A Danger Under G.I. Loans

THE POSSIBILITY that lenders might take advantage of the government-eased loans on houses to saddle veterans with homes they cannot afford and must subsequently lose was given repeatedly at a recent meeting of the Mortgage Bankers Association of America.

THE NEW YORK TIMES in reporting the meeting notes "that practices of 'loot appraisals' of high-price real estate were prevalent throughout the country was indicated by the seriousness with which practically every speaker discussed the subject and by a particularly stern address of an MPA official who cautioned his audience that the responsibility lay with the mortgage bankers."

One speaker said that "appraisal practices have become so loose in some communities that it is approaching the scandalous." He said the veteran was "being housed, but unmercifully hooked."

Rent Rackets

HERE ARE SEVEN WAYS rent controls are being evaded, as listed by CONSUMERS UNION:

PHONY DEPOSIT: A landlord requires a large deposit from a new tenant to insure against "excessive breakage" of facilities. The deposit supposedly will be paid back at the end of the lease. When that time comes the deposit has invariably been eaten up by alleged "breakages."

BONUS SQUEEZE: A superintendent or landlord has no apartment available but can find one if a very large bonus is paid.

TIE-IN SALE: A landlord will rent

an apartment if the tenant will buy the furniture in it. The furniture is generally worth almost nothing, but the price is staggering.

DOUBLE SNATCH: A tenant is permitted to obtain an apartment at the ceiling rent if he will also rent a "garden" at an exorbitant price. The "garden" may be a dump miles away from the apartment.

CLUB CLIP: The landlord doesn't run a rooming house and doesn't rent furnished rooms. But he does run a "club." A tenant can get a room at the "club" by paying "dues," buying chances for non-existent prizes, etc.

REWARD PITCH: The real estate agent has no available apartments. But a "friend" appears mysteriously who can get an apartment for the right kind of reward.

MR. AND MRS. GAG: The hotel clerk says you can't get a single room at the single rate but a room becomes available if the double rate is paid. To make everything legal, the victim has to register as Mr. and Mrs. OPA reports that this has caused a number of near divorces when irate wives discover that their husbands registered with a strange "Mrs."

On the Railroad

"CREDIT UNIONS IN THE RAILWAY INDUSTRY" is the title of one section of a study just released by the Association of American Railroads entitled "Railroad Personnel Practices." This is a lengthy section, extending through seven large double-column pages. In addition to reviewing the history and purposes of credit unions generally, it considers in detail conditions and problems faced by railroad employee credit unions and the practices and policies which should be adopted in regard to them.

The following conclusions and recommendations are made:

1. Policies of management cooperation with employee credit unions have been in effect on a number of important railway systems, with generally beneficial results.

2. Extension of such policies throughout the railway industry is recommended to railway managements.

3. The cooperative policies here recommended, which are fully outlined in the report, are that railway management grant certain privileges to credit unions, such as use of office space on company property, connection with company telephone circuits, making collections through payroll deductions; that the credit union reimburse the company for out of pocket costs, and adopt measures designed to

make sound credit union facilities available to all employees.

4. Experience has proved that employees welcome any plan which contributes to their welfare by the encouragement of systematic savings on which they will receive a reasonable return, and which contributes to their peace of mind by the knowledge that in times of adversity they will have a place of their own where they may borrow money at reasonable rates of interest.



28 Railway Express

Credit Unions in 24 Cities

BY JAMES J. GIRVAN, treasurer and general manager, Philadelphia Rex Federal Credit Union

The credit union movement in Railway Express Agency got its start in Boston, Massachusetts, more than 20 years ago with the organization of the Rex Credit Union, Inc. This credit union, the only Railway Express one in New England, has close to 1,000 members and assets of \$75,000.

During the past 20 years, another 27 of these organizations have been chartered by the federal government or the states in which they operate, until today our people in almost every state in the Union have credit union service.

Owned and operated by employees of Railway Express, these credit unions are safe and convenient places for our people to save something out of their earnings (the credit union will accept as little as 25 cents a week) and to get loans at the lowest possible rates of interest to be had anywhere.

Four in Chicago

The Chicago Department has four credit unions: Office, Terminal, Messenger Service, and Vehicle Departments. The combined assets of these organizations are approximately \$275,000. Chicago's Lakeside Credit Union has loaned its members \$3,000,000 during its almost 20 years of operation.

The Atlanta, Ga., Railway Express Agency Credit Union has assets of \$20,000 and operates a fuel fund whereby its members can purchase their yearly supply of fuel at greatly reduced rates.

Philadelphia Rex Largest

The Philadelphia Rex Federal Credit Union is the largest credit union in the Railway Express system. Chartered by the federal government on January 14, 1941, it began operations with five members and a total capital of \$25! Today it has more than 1,000 members and assets of \$137,000. It has loaned its members more than \$335,000 for provident and productive purposes. In June, 1945, it pooled its surplus funds with other credit unions in the Philadelphia and Camden, N.J., areas and helped to organize the first federal savings and loan association in the United States to be owned and operated by credit unions. Railway Express Agency employees now can get mortgage loans that range from 4 per cent on GI loans to 4.4 per cent on regular civilian mortgages, with extra savings on settlement charges.

Postwar plans of this credit union include the creation of an automobile finance department through which it will be possible for employees to finance new automobiles at low cost. It also maintains an Information Bureau for the benefit of every employee.

Cities Listed

Credit unions, operated for the benefit of employees of Railway Express Agency, are located in:

Asheville, North Carolina.
Atlanta, Georgia.
Birmingham, Alabama.
Boston, Massachusetts.
Brooklyn, New York.
Chattanooga, Tennessee.
Chicago, Illinois.
Cincinnati, Ohio.
Cleveland, Ohio.
Columbia, South Carolina.
Columbus, Ohio.
Denver, Colorado.
Jacksonville, Florida.
Los Angeles, California.
Memphis, Tennessee.
Miami, Florida.
Nashville, Tennessee.
New Orleans, Louisiana.
New York, New York.
Norfolk, Virginia.
Philadelphia, Pennsylvania.
San Francisco, California.
Tampa, Florida.
Youngstown, Ohio.

By the Foot

SMART ALEC: How much are your \$6 shoes?

Alert Clerk: Three dollars a foot.

Radio Program

Sponsored by Chapter

By Lawrence Villeneuve, president Wood County (Wisconsin) Credit Union Chapter.

IF YOU HAPPENED to be driving in Central Wisconsin and had your car radio on, tuned in to 1340 on your dial, you would probably hear a commercial that went something like this:—

"Bull-headed Tom—he never could see the Credit Union . . . until . . . well, remember the depression? Checks were pretty small those days, never had enough to meet his running expenses. Then the little woman got sick, needed a serious and costly operation. He didn't know which way to turn. The Treasurer of his Credit Union could see that something was wrong and INVITED HIM . . . imagine that . . . invited him . . . to pour his burden on the Credit Union's shoulders. A Credit Union loan, drawn out over a period of many months, was the solution to his problem. Yes, the loan was paid off, and now they have a little nest egg in the Credit Union. Do you blame him for shouting its praises?"

Good Decision

Sounds pretty good if you happen to be at all familiar with the Credit Union; if you have had anything to do with the operating of a Credit Union. Members of the Wood County Chapter of Credit Unions decided it was about time to go on the air and tell the public a little bit about the Credit Union. They handled this like an individual credit union would. *They pooled their resources* to sponsor a series of spot announcements, one a day, six days a week for a trial period of 6 months. The undertaking is about a month old now, a bit early to pass judgment on its worth or value. If it does nothing else it will educate the public on Credit Union principles and practices. It will certainly make its members conscious of the services offered by their own Credit Unions. *It will get into the home . . . and that is where we want to tell our credit union story.* The little woman, who perhaps does most of the budgeting in the family, should know about the savings afforded by a credit union loan. All day long she is told how easy it is to borrow from the other loaning agencies. Now she knows it is just as easy to borrow from the credit union.

The cost of sponsoring this series of broadcasts is being borne by ten credit unions, each one paying a percentage of the cost based on its earnings. Considering the cost involved, it should be worth the money expended from an educational and promotional standpoint. Organization of new credit

unions is invited either by contacting the radio station or writing the Wisconsin Credit Union League.—THE WISCONSIN CREDIT UNION NEWS.

At Rochdale Institute

TWO OUTSTANDING credit union leaders will be included on the staff for the Comprehensive Course offered this summer by Rochdale Institute, cooperative educational organization.

They are A. B. MacDonald, now executive director of the Cooperative Union of Canada, but formerly managing director of the Nova Scotia Credit Union League and treasurer of the Credit Union National Association; and Dora Maxwell, director of Organization and Education Department, Credit Union National Association.

Other featured instructors for the courses offered are Dr. Horace M. Kallen, dean of New School for Social Research, New York City; Donald Schwartz economist, University of Wisconsin School for Workers; K. S. Alanne, auditor, Central States Cooperatives Auditing Service; E. R. Bowen, general secretary, Cooperative League of USA; James Proebsting, advertising manager National Cooperatives, Inc.; Dr. A. Fabra Ribas, Institute of Cooperative Studies, University of Cauca, Colombia, and M. P. Bhargava, educational worker with the Cooperative Societies in the Central Provinces and Berar, Nagpur, India.

Dr. Ribas will be on tour in the United States and Mr. Bhargava is spending a year in studying cooperatives on grant of King Edward Memorial Scholarship Fund.



Once Upon A Time

20 Years Ago In Bridge

☐ Detroit, Michigan, Teachers Credit Union is recently organized.

☐ Chicago, Illinois, Teachers Federation Credit Union organized.

☐ BRIDGE is two years old. Sports a special issue, running 12 pages instead of the usual eight.

☐ Rural credit unions are discussed by Catholic Union of Missouri.

10 Years Ago In Bridge

☐ 179 credit unions were organized in May.

☐ Telephone Workers Credit Union, Boston, Massachusetts, is subject of featured illustrated article. It had 7,613 members; \$1,346,132 in assets; was organized in 1917. Edward L. Shanney, now president of Cuna Mutual Insurance Society, was president of the credit union.

☐ Hugh Stout, new Cuna national director, is presented in picture showing board of directors of Portland, Oregon, Teachers Credit Union.

☐ Herbert Walker, personnel manager of Colts Patent Fire Arms Company, Hartford, Connecticut, credit union pioneer, and president of Connecticut Credit Union League, writes of experience of his credit union in a two-story-high flood which made it necessary to rewrite all records. He is also honored in "Spot News of the Month" section.

5 Years Ago In Bridge

☐ Cuna Holds historic meeting in Jacksonville, Florida. William Reid elected president for third term. Roy F. Bergengren honored for 20 years service.

☐ First claims paid under Cuna's \$50,000 excess bond coverage.

☐ Daniel F. Jones, educational committee member in charge of Cuna Calendar Bank sales, Oneita Employees Federal Credit Union, Oneita, New York, tells how his credit union most effectively promotes use of calendar banks, and thereby boosts credit union.

☐ Senator James M. Mead, of New York, says "Credit unions aid national defense" in radio address from Washington, D. C.

☐ Ontario Credit Union League affiliates with Cuna. British Columbia and Nova Scotia leagues have already done so.

☐ Maine adopts Credit Union Act over considerable opposition, reports Managing Director Boris Bluementhal.

Whereas:

North Carolina Resolves

THE FOLLOWING RESOLUTIONS were among those passed by the 1946 annual meeting of the North Carolina Credit Union League.

Re National Association

"Whereas the Credit Union National Association has acted as a steadying influence to all credit unions in these unsettled times; and whereas the staff has shown that they have studied the problems faced by our Nation and our Association in these changing times; and whereas Mr. Thomas W. Doig, Mr. Hubert Rhodes and many others have



ELEVENTH ANNUAL MEETING of Benham Credit Union, Benham, Kentucky. Organized in 1935, this credit union is one of few serving coal mining groups. It has grown from an original membership of 15 members and \$75 to more than 800 members with assets of over \$266,000.

It is proud of its achievements in service as well as growth. Only one board meeting has been postponed for lack of a quorum in the past 10 years and that resulted from an epidemic of flu in town. The Credit Committee meets regularly every Friday evening and the Supervisory Committee makes twice the audits required by law.—Photo by Curtis Wainwright.

kept us informed to the best of their ability through *THE BRIDGE* and by personal letter; Now, therefore, be it resolved by the North Carolina Credit Union League, Inc., in Convention assembled:

1. That this League express to the Credit Union National Association and its staff our appreciation for the wise leadership, excellent advice and prompt services rendered.

2. That this League believes their use of *THE BRIDGE* as a means of conveying information and aiding us to solve our common problems is to be highly commended.

Re Veterans

"Whereas many of our leaders and fellow members have returned from service in the armed forces of our country; resuming active participation in the credit union movement which we have striven to preserve for them on the home front while they were preserving our democratic system on the battlefield. Now, therefore, be it resolved by the North Carolina Credit Union League, Inc., in convention assembled:

1. That we express our appreciation of the hardship and sacrifices they rendered.

2. That we are glad to again have their enthusiasm and ability as a powerful force in the credit union.

3. That we recommend to all member credit unions that we follow the

plan of many credit unions in that little or no interest be charged on loans for the duration to those who had loans when they entered the service and that every consideration be shown the servicemen in repaying loan balances and extend every aid to them in their adjustment to civilian life.

'Round About

The Credit Union Movement

¶ "Bucky, The Mystery Man" added magic and hilarious amusement to this year's annual meeting of the Shartle Employees Credit Union, Middletown, Ohio. He accompanied clever sleight-of-hand tricks with "a constant stream of patter which kept the audience in stitches."

Bucky is Charley Harris, a member of the credit union. He is also noted for his size—six-feet-two; 285 pounds.

¶ Sixteen hundred persons attended the banquet held during the 1946 Annual Meeting of the Illinois Credit Union League. During the meeting M. F. Gregory, Arrow S Credit Union, East St. Louis, was reelected president. Ira O. Fash, Wrisley Employees Federal Credit Union, Chicago, was elected first vice president and Robley L. Johnson, Chambers, Bering, Quinlan Credit Union, Decatur, was elected second vice president. Gilbert M. McNeil, treasurer Lakeside Credit Union, Chicago, was reelected chairman of the Executive Committee.

¶ Another harbinger of the peace time expansion of the credit union movement, is the revival of the *UTAH CREDIT UNIONAIRE*, official monthly publication of the Utah State Credit Union League. The April, 1946 issue has a bright red, white and black cover, is 9¼ by 12 inches in size, and features an article "Balance is the Thing" by Managing Director Karl S. Little, and a story of the Barwick-Ferrin Employees Credit Union of Salt Lake City. This is perhaps the smallest credit union in the country since it has only sixteen members, but

they comprise 100 per cent of the potential membership.

¶ "Favorite Recipe Booklet" is the title of a 50-page publication of the Omega Wives Credit Union, Detroit, Michigan. In addition to its collection of favorite recipes it contains a short history of the credit union and pictures of the directors, committee members, and young and old members.

¶ A three day short-course for credit union treasurers and assistant treasurers was held at Sheet Harbour, Nova Scotia recently. The course was taught by Robie Porter, assistant inspector of credit unions in Nova Scotia.

During the meeting speeches by credit union and cooperative leaders of the area were also heard.

¶ During 1945 membership in the Sodality Credit Union, Kingston, Jamaica, increased 23 per cent (to 147); as did share and deposit accounts. Loans outstanding increased 173 per cent; net profit 63.74 per cent.

¶ Among things changed with the coming of peace, list the name of the Pail and Can Credit Union. It is now the Marathon Converters Employees Credit Union, Wausau, Wisconsin.

¶ A most attractive and informative booklet of reports and credit union facts was issued at its thirteenth annual meeting by the Middletown Armco Employees Credit Union, Middletown, Ohio.

Correction

¶ We did not give the Merck Rahway Employees Federal Credit Union, Rahway, New Jersey, full credit for the extent of its operations when we commented upon its tenth anniversary celebration in our March issue. Figures we gave for its ten year record were really obtained in 1945. In that year it issued 2,510 checks; granted 652 loans, totalling \$83,562; cashed for members 22,700 checks amounting to \$1,100,000; and participated in 17,200 transactions involving share and loan payments.

Suggested Reading

No Inflation Coming!

NO INFLATION COMING! by William J. Baxter. International Economic Research Bureau, New York. 84 pages. \$1.00.

This book was written in 1944, and Mr. Baxter would already seem to be proved a poor prophet. However, he backs up his thesis with some historical and economic observations which merit study. And of course the question as to just how far the present sellers' market will extend past the present readjustment period is still unanswered.

In brief the thesis is that the productive capacity of this country is so great, and so rapidly increasing, that dollars are bound to buy more goods and services in the future than they are now able to buy. So at this time we should save our dollars and buy only what we really need or can make good use of.

Mr. Baxter contends, too, that financial organizations are in the strongest position they have ever been in, while production organizations are in a very poor financial position. Therefore there will be many reorganizations of business structures, with only the most efficient and most productive able to survive. And therefore it is in general very unwise to invest in stocks at this time. (Put your extra money in your credit union account.)

This book should be read by all who, because they think inflation is inevitable, are making it so by paying huge premiums for the privilege of buying now-scarce merchandise.

Notably, too, it emphasizes and re-emphasizes that it is the engineer-producer, not the financier, who will decide how well we live in the future. If we use our best skills to produce and distribute the maximum of goods, we shall have prosperity. But we shall more surely have it, and sooner, if we keep our heads now and consolidate our individual and collective positions (1) by getting out of debt, (2) by buying material goods at this time only if they are really needed and are of good quality, and (3) by accumulating as much cash as possible for use later when production gets in full swing and goods are accordingly cheap.

Since this applies to us collectively as well as individually, it follows that we should favor increased federal taxes so that government debts built up by the war will be liquidated as soon as possible.

All this is admittedly in line with conclusions of other social thinkers,



but where others suggest that inflation is inevitable because we are all human sheep, Mr. Baxter holds that deflation is inevitable because we are human wonder workers. In other words it is the person who fills his closets and attic with merchandise who will "hold the bag," instead of the person who heeds the admonishment of the government and economists.

Immigrants Are Asset

WHAT SHALL WE DO ABOUT IMMIGRATION? by Maurice R. Davie. Public Affairs Committee, New York. 32 pages. 10c.

Many classes of immigrants not only do not take jobs away from Americans but increase job opportunities, declares Dr. Davie, chairman of the Yale Department of Sociology and Director of the Study of Recent Immigration from Europe, in this pamphlet.

Among the groups that unquestionably aid in providing jobs, Dr. Davie lists those immigrants who bring capital and business experience with them, those who become employers of labor, those who possess special skills or abilities that America may need, or those who are willing to take jobs for which enough native applicants cannot be found.

Moreover, a large number of immigrants are not wage earners and hence are not competitors. Among these are people too old to work, women who remain housewives, and young children.

"The theory that immigrants take jobs away from Americans is disproved by the whole history of the United States. We have always had immigration; yet wages have been comparatively high and working conditions good. In fact, the expansion of American industry has been largely due to immigrant labor, and immigration has been an economic asset to this country. In particular, we have profited by the skill and experience of the immigrants without having had to bear the cost of rearing, educating, and training them, since most of them have come as mature individuals and full-fledged workers."

Although opinion in America appears to favor limiting the number of

immigrants, Dr. Davie finds that there is a widespread feeling against any "closed door" policy and that the demand for a more liberal immigration policy takes the form of proposals to relax, not remove, our restrictive legislation.

Some of the proposals mentioned in the pamphlet for liberalizing, without fundamentally changing, our present immigration policy are:

—to permit the unused quota of any year to be carried over to later years.

—to permit a mortgaging of the quota for several years in advance in order to allow an immediate increase in the number of immigrants during a crisis period.

—to base quotas not only on the country of origin but also on the occupation and skill of the immigrant.

—to grant preference to persons under a given age or in certain occupations, or in cases where exclusion would result in special hardship.

Under any of these proposals the over-all number of quota immigrants admitted would not exceed the totals now allowed, although the national-origins basis of our present quota system might be modified.

Dr. Davie, in viewing a continued pressure for migration, raises the question of whether nations with large unexploited areas are justified in excluding less fortunate people. "These and other broad problems of immigration can be solved," he says, "only through international cooperation. But in dealing with them the United States must take a leading part."

Will we follow the same trend of restricting immigration as we did after World War I? Can the United States justly urge other nations of the world to accept refugees unless it accepts a share of the burden itself? After raising these questions, the pamphlet concludes that "It would be strange indeed, especially at this time when the lives and liberties of millions throughout the world are endangered, if we, with our proud tradition as a refuge for the oppressed, should refuse to bear our share of a great human problem by closing our gates."—This is Pamphlet 115 in the Public Affairs Committee series. The above review was prepared by the Committee.

Other Current Pamphlets

Other current Public Affairs Committee pamphlets are:

Race Riots Aren't Necessary, by Alfred McLung Lee.

Youth and Your Community, by Allice C. Weitz.

Gyps and Swindles, by William Trufant Foster.

Will Negroes Get Jobs Now? by Herbert R. Northrup.

The Refugees Are Now Americans,

by Maurice R. Davie and Samuel Koenig.

Building Your Marriage, by Evelyn Millis Duvall.

For a Stronger Congress, by Philip S. Broughton.

For Veterans

Here are two government publications containing much information of interest to veterans:

The Selective Service Veterans Assistance Program. National Headquarters Selective Service System, Washington, D.C. 98 pages. 20 cents.

Compensation or Pension to Veterans or Their Dependents—Analysis of Elements of Entitlement To and Rates of Compensation, presented by Senator Walter F. George (79th Congress, 1st Session, Senate Document No. 99). U. S. Government Printing Office, Washington, D. C. No price noted.

Polio

Will Strike This Summer!

IT IS CERTAIN that infantile paralysis will strike this summer; that during the three or four months beginning in June it will strike with varying intensity in some sections of the United States; that hundreds, possibly thousands, of children now well and happy will be stricken with the disease before schools reopen in the Fall.

But only chronologically is poliomyelitis consistent. Its known affinity for the summer and fall, shown by records extending back to the last century, tells us only *when* it will strike in force—not *whom* or *where*. These can be matters for conjecture only, for it may concentrate its attack in rural sections and small cities, as last year, or follow the 1944 outbreak and strike in densely populated areas. Even medical experts of the National Foundation for Infantile Paralysis, men who have spent much of their professional lives studying this baffling disease, are unwilling to venture an exact forecast.

This far they will go and no farther: "Areas free of epidemics for several years are the most vulnerable."

No Justification for Panic

But just as this reassurance should not beget undue confidence in areas recently afflicted, the possibility of an epidemic should not give rise to panic elsewhere. Medical science still does not know the carrying agent of the polio virus nor has it, despite millions spent in research by the National Foundation, found an effective serum or vaccine. It does know that 50 per cent of all victims recover completely with no trace of paralysis, 30 per cent are left with slight disability, and only 20 per cent suffer crippling or death.

Comforting as these figures may be,

A VOLUME of Help

BOUND VOLUMES of the 1945 *Bridge*, complete with index, are now ready, at \$3 a copy. For ready reference to a year of informational and helpful credit union material order yours now.

The Bridge

Madison 1, Wisconsin

the fact remains that infantile paralysis in epidemic strength is a staggering blow to any community. Statistics do not heal the crippled nor comfort the bereaved, and even in cases of complete recovery the disease is frightening, painful, and costly. Nurses and physical therapists trained in the most modern treatment must be enlisted and provided with elaborate and expensive equipment.

Advances Made

With the exception of the war years, however, when transportation and priorities presented difficulties in procurement and delivery, the problem of skilled professional personnel and proper equipment has constantly become less acute since the founding of the National Foundation in 1938 by President Roosevelt. Training programs have been instituted (\$1,267,600 was appropriated in 1945 to finance physical therapy scholarships alone) and the Foundation and its chapters covering the nation's 3,070 counties have gradually built up a vast stockpile of equipment (nearly a thousand respirators, for example, are registered in the Foundation's locator file) that can be shipped instantly to threatened areas.

The National Foundation has taken six other major steps to fight future epidemics and help minimize effects of the disease. It has:

1. Organized four emergency aid units for epidemic use.
2. Expanded its Polio Emergency Volunteer training program.
3. Developed a fully-equipped mobile unit to supplement inadequate hospital facilities in epidemic areas.
4. Initiated polio preparedness conferences with health officials in 15 states.
5. Made provision for seven new training and treatment centers similar to the Knickerbocker Hospital Polio Unit in New York.
6. Financed specialized training for physicians and nurses.

Last year 13,514 new infantile paralysis cases were tentatively reported by the United States Public Health Service, fourth highest annual total in the country's history. During 1945 epidemics, local chapters spent more than \$5,000,000 caring for vic-

tims of the disease. This was supplemented by an additional \$1,602,345 in emergency aid from the National Foundation.

Remaining Danger Spots

Remaining as danger spots in the continuing fight against poliomyelitis are its unpredictability, lack of complete knowledge of its method of transmission, and the difficulty of diagnosis. Symptoms present in many minor ills—fever, headache, vomiting, nausea—may also be symptoms of infantile paralysis and a physician should be consulted at the slightest suspicion of its presence.

Simple Precautions

And a few simple precautions exercised in an epidemic area may prevent the disease or mitigate its severity:

Avoid chilling and overtiring.

Do not swim or bathe in polluted waters.

Avoid tonsil and adenoid operations.

Wash hands before eating.

Protect food from flies.

Above all, don't yield to panic and don't worry about the expense. Experienced medical personnel and the best equipment known are ready and, although infantile paralysis is one of the most expensive diseases known to medicine and few families can afford prolonged treatment, the National Foundation and its chapters, supported by your March of Dimes, are pledged that no victim need lack treatment for want of funds—regardless of age, race, creed or color.—*Department of Information, The National Foundation for Infantile Paralysis.*

Stowaway Passbook

A CREDIT UNION PASSBOOK gives another example of credit unionists' generosity. This passbook rode along in the pocket of a suit its owner had donated to the cause of war displaced persons. It landed in Innsbruck, Austria.

Unfortunately, while it contained the name of the credit union member, it did not contain his address nor the name of the credit union. So, the Austrian UNRRA office returned it to Cuna Supply Cooperative, Madison 1, Wisconsin, publishers of the passbook, where it is waiting for Lloyd McCune or his credit union to claim it.

Wise Men Say—

¶ The greatest menace to freedom is inert people.—*Justice Holmes.*

¶ The things we have determined wholeheartedly to do are not fulfilled by desire, but by painful toil.—*Franklin D. Roosevelt.*

Our Readers Write



Four Times As Many

TO THE EDITOR:

Our credit union appointed an educational committee last April, and one of the things they have done is to revive our local publication, "The Credit Graph," on a four-times-a-year basis. I am enclosing copies of the last two issues, on the chance that there may be something of value in them for other credit unions. (See page 12.)

We feel that our educational committee has done a great deal for our credit union. They succeeded in getting out nearly four times as many members to the annual meeting as had been coming for the past several years, and those members voted to purchase share and loan insurance from CUNA. They also voted to grant real estate loans to our members at one-half of one per cent per month. We had been paying interest of one per cent on our deposit accounts, although we had been operating at a loss, and paying no dividends on shares. The members voted to pay interest on deposits at one-half the rate of dividend declared on shares.

The members at this meeting directed the directors to take action which resulted in reducing the office expense by over one-third, which savings more than pay for the share and loan insurance.

We feel that it is due to the above actions taken that our share withdrawals have ceased, and money is again coming in on shares, and our loan business is steadily increasing every month.

Our educational committee consisted of five members last year; this year it includes all the key-men listed in the *Credit Graph*, and they have all been given subscriptions to *BRIDGE*, paid for by the credit union.

In closing, may I express my appreciation for the many instructive, informative and inspirational features and articles I find in *BRIDGE* each month.—Wayne S. Steward, chairman Portland Educational Committee, Portland Postal Employees Credit Union, Portland, Oregon.

How To Have Active Interest

TO THE EDITOR:

In response to your repeated request for information and comment, here is a brief summary of our standing at the end of 1945.

Membership	120
Savings	\$14,585.42
Loans in Force.....	14,275.00
Assets	15,420.62
Liabilities	14,838.12
Savings & Loan Insurance in Force.....	27,547.00
Income	938.65
Expenses	388.65
Surplus for Year 1945.....	550.00
Rate of Dividends on Savings	2 1/4%
Patronage refund to Borrowers	20%

To be fair to your readers I wish to mention that we charge a flat rate of 8 percent interest on all loans irrespective of amount or duration. You will notice of course that a 20 percent refund reduces the rate of interest to 6.4 percent and the insurance paid by the credit union brought the actual cost for our loan service during the past year to 5.65 percent.

RE ANNUAL MEETINGS

Now a word regarding annual meetings. I join the editor of *BRIDGE* in both his sympathy with Mr. Boardman (See March *BRIDGE*, page 22) and his opposition to doing away with annual meetings. The question, how to get a quorum is well worth considering, since lack of interest on the part of the membership may mean the loss of democratic control, which is one of the cornerstones underneath the credit union movement.

Our policy is to have frequent membership meetings and to combine business with social doings providing variety in the line of education and entertainment according to the needs and desires of our members. Serving of refreshments at these meetings to which prospective members are invited, also helps to bring more people out and to get them better acquainted.

Following are a few highlights of our annual meeting. Attendance, 90 (out of 120) members and about 20 visitors. The program for the evening was along the following lines: Supper, reports given by the president and chairmen of committees, speaker, declaration of dividends, election of officers, entertainment, and dancing for the rest of the evening.

I wish to mention that the planning of our annual meeting was done right after New Years and in order to make sure that there would be ample time for supper and dancing at the annual meeting, we devoted all evening, at

our membership meeting in January, to the transaction of business and discussion of policy with considerable participation from the floor. The recommendations of the directors with regard to the apportionment of the 1945 surplus were placed before the members giving them a chance to come to the annual meeting with their minds made up which they did. Annual financial statements were attached to the notice calling the meeting.

I am enclosing Credit Union Rating Sheet from January *BRIDGE*.—M. Bach, secretary Edelweis Credit Union, Vancouver, British Columbia.

This credit union scored 78 on rating sheet. It was third highest score received.

The Working Dollar

TO THE EDITOR:

Why not more reprints from *THE WORKING DOLLAR*, bulletin of the North Shore Cooperative Federal Credit Union, Evanston, Illinois. They have the best material I've run across yet!—Lawrence Villeneuve, Bull's Eye Credit Union, Wisconsin Rapids, Wisconsin.

¶ This is a well-merited bouquet. Kent Francis has made of *THE WORKING DOLLAR*, a widely appreciated publication, which has graced *BRIDGE*'s "Idea Exchange" several times in the past, and will no doubt repeat often in the future. As for the present, see "Unwanted Advice" on page 11.

In our judgment his classic item is "Prima Facie Evidence," which has been widely reprinted—twice by *BRIDGE* (in special Membership Drive issue last September, page 209; and in special Annual Meeting issue this January, page 15). Other notable ones picked up by *BRIDGE*: August 1944, page 186; May 1945, page 114; June 1945, page 134.

North Carolina League Meeting

TO THE EDITOR:

We believe that this Eleventh Annual Meeting of the North Carolina Credit Union League was one of the best we have had thus far. Although the attendance was not what we had desired the discussions were excellent.

We had a "Question and Answer" period led by Hubert Rhodes and also had group discussion sessions when the convention divided into the following groups: Board of Directors, Treasurers, Credit Committees, Supervisory

Committees and Education Committees. It was against our will that we called time on these groups. Next year we realize that more time will have to be set aside for this feature.

During the meeting the following directors were elected to serve for the coming year: J. E. Hood, president; Hugh A. Sloan, vice president; Gaines Kelly, secretary-treasurer; O. A. Bates, T. J. Graham, Jr., Ben B. Humphries, F. D. Marshbanks, C. J. Moody, A. B. Prichard.—Mrs. C. L. Webster, acting managing director, North Carolina Credit Union League.

Coming Events

June 14—New York State Credit Union League annual meeting.

June 14-15—Florida Credit Union League annual meeting, Miami Beach.

September 7—Michigan Credit Union League annual meeting, Hotel Statler, Detroit.

June 15-16—Washington Filene League annual meeting, Emerson Hotel, Hoquiam.

June 29-30—Georgia Credit Union League annual meeting, Savannah.

From the Files

Of a Credit Union Treasurer

by Leonard R. Nixon

THIS CORRESPONDENCE was unearthed by Mr. Nixon recently. It was written when his wife was clerk of the New Britain Teachers' Credit Union of which he was and is treasurer. He is managing director of the Connecticut Credit Union League and a Cuna vice president.

W. O. Blank Writes

July 12, 1940

New Britain Teachers' Credit Union
46 Hillcrest Avenue
New Britain, Connecticut

Dear Sir and Madam:

With practically no difficulty you will find enclosed a check to close out the balance of my loan with the New Britain Teachers' Federal Credit Union. That is to say, it is closed out unless the nefarious and Machiavellian ingenuity of the Nixons, clerk and/or treasurer, having managed in some way to abstract some further usury on this loan.

I may never be rich—you might say this is obvious—but at least I go to my couch at night with a clear conscience. Not on my mind is the realization of mental anguish—the torture—the horrible uncertainty caused those unfortunates caught in the web of money-lenders. Not for me is the uneasy rest of the conscience-stricken lenders of other people's money—mine no gruesome thoughts of the victim's horrible struggle against the world for

the Gargantuan-like interest to keep them even with the cold blooded, mercileless figures of en famille Nixon.

Nay—rather am I free as a bird—released at last from the grip of those whose family crest is the promissory note. Mine to lift my head—a free man—unencumbered by the haunting thoughts of the monthly contribution to the every increasing and bottomless coffers of the NBTFCU.—Very truly yours, W. O. Blank.

Leonard R. Nixon Answers

July 31, 1940

Mr. William O. Blank
40 X Street
New Britain, Connecticut

My Dear Mr. Blank:

It is with a great deal of pleasure that we enclose your note to the New Britain Teachers' Federal Credit Union bearing the stamp "Paid in Full," because it represents another milestone achieved by one of our loyal members and gives us a feeling of pride to realize that we in our small way have contributed a little to make life more pleasant and interesting for another one of our credit union folks.

You have been a loyal member now for over three years and well do we recall your early start in our organization when you became imbued with our philosophy of thrift and how we started you on the way to teach your dollars to have more sense—a worthy slogan for a great movement such as ours.

Then in 1938 when a sudden emergency arose and you needed financial assistance—whom did you turn to? Your credit union of course and we feel that we responded nobly and rallied to your aid with a small loan.

This was an experiment on your part to determine if we were to be truly a comrade to you in distress and we proved our value. Shortly after you came to us again with your financial problems and we quickly solved them for you.

Time after time we have rescued you from a financial abyss and have made it possible for you to roam the streets and look all men in the eye (and the girls also) because you were neatly dressed and had a nice car.

Do you remember—although we do not wish to advertise our many contributions to your welfare—how we aided you in getting your first car—a rather serviceable Ford, and how we inculcated the spirit of thrift in you so that you were able to shortly raise your standard to a DeLuxe Plymouth? Certainly this was a worthwhile forward step.

Free As a Bird

Many are the contributions which we have made to your progress and

we know that you are happy to be "free as a bird"—able to always lift your head and be unencumbered with haunting thoughts of pressing bills, because you realize that always with you is your credit union, always ready to cooperate with you and guide you forward to bigger and better times.

You mention casually the charges made for services rendered by your credit union. That really is the only ripple in an otherwise smooth sea. Would that these services could be rendered free to worthies such as you? But, unfortunately, many of our members have not yet caught the philanthropic spirit which we have tried so hard to develop and have demanded dividends—an ugly word—on their savings. Some day as soon as your struggling, hard working board of directors have the opportunity, we may be able to change this attitude and approach the goal to which we aspire—free service to all our faithful.

It is with a feeling of mixed emotions that we have watched your endeavors to spread the credit union movement among your fellow workers in industry. Certainly it is gratifying to see a young man such as you become so imbued with the gospel of credit unionism that you are impelled to carry the good tidings to your fellow man. Yours shall be a great reward.

So fellow member, carry on—keep the faith and remember that always beside you, behind you and with you is your credit union with hand extended to aid you over the rough places and to exemplify their motto, "Not For Charity, Not For Profit, But For SERVICE."—Cooperatively yours, Leonard R. Nixon, Treasurer.

P.S. While we do not understand the meaning of all the big words in your epistle, we feel that you should be a writer of fiction rather than being a part of the overhead in industry.

P.P.S. To think that Mr. Filene's (and the Nixons') philanthropy should be compared to Machiavelli!—L. R. N.

What, Oh What, To Do

In June

☛ Push plans for Membership Drive in fall.

☛ Plan credit union picnic for one of summer months.

☛ Start preparing and obtaining materials for school loan promotion.

☛ Organize drive to interest and train children of credit union members in credit union ideas and practices.

☛ Make survey of credit union members and potential members to see how many are borrowing, or are planning to borrow, elsewhere, and why. Map your plans accordingly.

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One measure of the effectiveness of any accounting system in a Credit Union is the extent to which it eliminates the weaknesses of other methods.

The National Window Posting and Control Machine provides these nine plus features in any Credit Union where it is used.

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Another Headache Cured

Calculating interest precisely, so that the credit union gets all that, but no more than, it should get, has always been one of the biggest headaches of credit union treasurers. Over the months much time is spent in making the calculations the ordinary way—or an appreciable amount of income is lost if odd days are disregarded so as to simplify the operation.

The best answer to this problem to come to our attention is the Credit Union Calculator, prepared by J. Deane Gannon. It is a series of tables, one for each day, up to 45, for unpaid balances up to \$1,000. Interest for other periods and amounts can readily be determined by simple additions. Calculations are for interest at the rate of 1% on the unpaid balances.

A simple dividend calculator is also included.

This calculator is printed on stiff paper and has a special lay-flat binding. It should soon pay for itself in labor savings and/or increased receipts—\$3.72 each less 20 per cent to league members.

Order from your
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GI Loans Simplified

THE ENTIRE VETERANS LOAN PROGRAM, insofar as the Veteran's Administration is concerned, is now designed so as to permit lending institutions to negotiate loans from veterans in accordance with their normal practices with but very limited restriction. New, simple-to-use forms are being used, and procedures for approval by Veteran's Administration has been greatly simplified so as to assure quick action on future applications.

This information was revealed and stressed by L. S. Anderson, guaranty agent at the local Veteran's Administration Regional Office, to a meeting of the Milwaukee County (Wisconsin) Credit Union Association on April 27. The meeting was devoted to a discussion of the loan guaranty division of the Servicemen's Readjustment Act of 1944, commonly known as the "G.I. Bill of Rights."

This discussion was primarily directed toward the use of the guaranty provisions of the Act in making loans of various types to veterans by credit unions and other supervised lending agencies.

After preliminary comments by Mr. Anderson covering the processing of a loan by the lender and the Veteran's Administration, the meeting was

thrown open to questions from the members present.

The questions indicated that many of member credit unions had given this type of financing considerable study. They covered many interesting phases, such as eligibility of veterans for loans, interest rates, guaranty percentages, terms of loans, payment of losses sustained by lenders under the guaranty, joint loans, construction loans, and similar points of interest involved in this type of financing.

Another chapter which reports a meeting devoted to consideration of veterans loans, is the Winnebago County Credit Union Chapter in Neenah City, Wisconsin.

27 Million Sets

THERE IS A pent-up consumer demand for radios and radio phonographs variously estimated as high as twenty-seven million sets reports E. A. Nicholas, chairman of Set Division, Radio Manufacturers Association.

This figure is twice the industry's total production of 13,750,000 sets in the prewar year of 1941. The present demand represents a prospective business of some 4½ billion dollars as compared with the industry's one billion dollar business in 1941.

About that loan business....

LIKE all progressive credit unions you are undoubtedly alerting your credit union for the great flow of loan business which is ahead of us. You are getting your operating procedures streamlined. You are lining up a strong educational and promotional program. You are doing everything you can to make sure that when your members and potential members borrow they come to you.

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